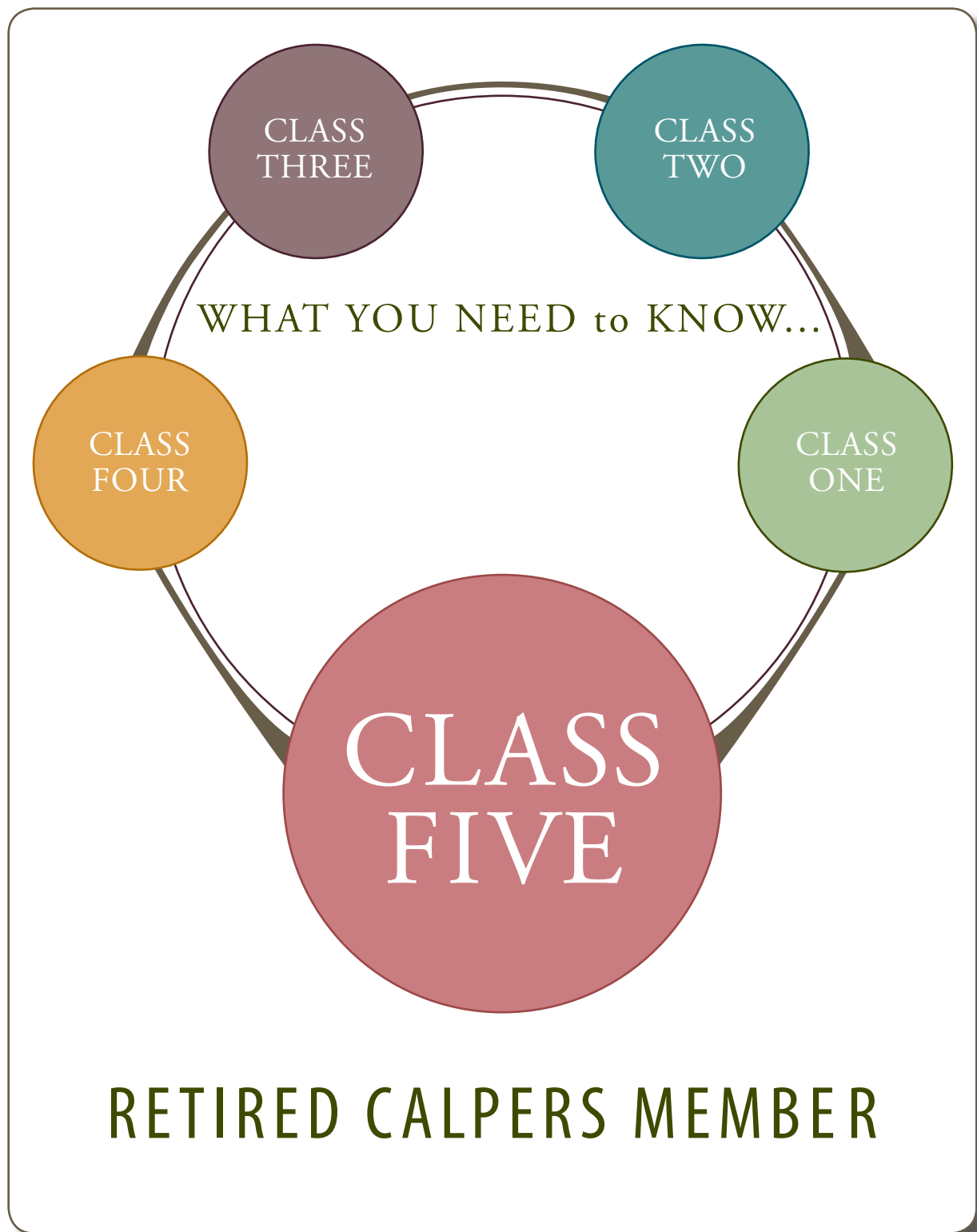


WHAT YOU NEED to KNOW...



RETIRED CALPERS MEMBER | CLASS FIVE



- New CalPERS Member | CLASS ONE
- Continuing CalPERS Member | CLASS TWO
- Planning Your Retirement | CLASS THREE
- Completing Your Retirement Application | CLASS FOUR
- Retired CalPERS Member | CLASS FIVE

What you need to know... Retired CalPERS Member

Table of Contents

Introduction to Retired CalPERS Member	3
CalPERS Publications Checklist.....	5
What Is CalPERS?	7
Long Term Care Program.....	9
Member Home Loan Program	13
Direct Deposit.....	15
Understanding Your Retirement Check	17
Taxes & Your Retirement	19
Cost of Living Adjustment (COLA).....	23
Purchasing Power Protection Allowance (PPPA)	25
Power Of Attorney	27
Retiree Health Benefits.....	29
Medicare.....	37
State Retiree Dental Coverage.....	39
State Retiree Vision Plan.....	43
Open Enrollment for Retirees	45
Working after Retirement.....	47
Post Retirement Lump Sum Death Benefits	49
Reporting the Death of a CalPERS Member	55
Option Benefit Changes	57
Moving.....	63
Keeping Informed	67
Online Resources	69
Contacting CalPERS	73
Additional Information.....	79

While reading this material, remember that CalPERS is governed by the Public Employee's Retirement Law. The statements in this publication are general. The Retirement Law is complex and subject to change. If there is a conflict between the law and this publication, any decision will be based on the law and not this publication.

Notes

Introduction to Retired CalPERS Member

Retired CalPERS Member

CalPERS offers a series of five classes designed to educate and inform CalPERS members at any stage of their careers:

- New CalPERS Member | Class One
- Continuing CalPERS Member | Class Two
- Planning Your Retirement | Class Three
- Completing Your Retirement Application | Class Four
- **Retired CalPERS Member | Class Five**

The Retired CalPERS Member class is designed primarily for members who have already retired.

The CalPERS Customer Education Center

The CalPERS Customer Education Center (CEC) is an online service available on our Web site, **www.calpers.ca.gov**. The CEC enables you to review the schedule of classes and enroll in a class online. You can also take the five basic classes online at your own pace. You can also enroll in any instructor-led class by calling our toll free number **888 CalPERS** (or **888-225-7377**).

Notes

CalPERS Publications Checklist

CalPERS Member Benefit Booklets

- School Benefits (pub 2)
- State Miscellaneous and Industrial Benefits (pub 6)
- State Safety Benefits (pub 7)
- Local Miscellaneous Benefits (pub 8)
- Local Safety Benefits (pub 9)

CalPERS Retirement Applications

- Service Retirement Election Application (pub 43)
- Disability Retirement Election Application (includes industrial disability retirement) (pub 35)

CalPERS Health Publications

- Health Program Guide (HBD-120)
- Health Benefit Summary (HBD-110)
- Prescription for Quality Health Care (HBD-33)

Note: The health publications are updated yearly.

Other CalPERS Publications

- Service Credit Purchase Options (pub 12)
- Power of Attorney (pub 30)
- Employment After Retirement (pub 33)
- Reinstatement from Retirement (pub 37)
- When You Change Retirement Systems (pub 16)
- Planning Your Service Retirement (pub 1)
- Changing Your Beneficiary or Monthly Benefit After Retirement (pub 98)
- Retirement Option 4 (pub 18)
- Temporary Annuity (pub 13)
- Alternate Retirement Program (pub 10)
- Understanding CalPERS (pub 36)
- Community Property Model Order Package (MBSD-183)
- Refund/Rollover Election Package (PERS02M0324)

Ordering CalPERS Publications

All CalPERS publications and forms are available for download on our Web site, **www.calpers.ca.gov**, at the forms and publications link. The publications can also be ordered through the Web site and a hardcopy will be mailed to your home. You can also order any of our Forms and Publications by calling our toll free number, **888 CalPERS** (or **888-225-7377**).

Notes

What Is CalPERS?

**CalPERS
Mission
Statement**

Our mission is to advance the financial and health security for all who participate in the System. We will fulfill this mission by creating and maintaining an environment that produces responsiveness to all those we serve.

**CalPERS
Benefits**

CalPERS is a 401(a) defined benefit retirement plan. We provide lifetime benefits based on a member's years of service, age and highest compensation.

CalPERS also provides benefits for disability and death, making payments in some cases to survivors and beneficiaries of eligible members.

**Planning After
Retirement**

Retirement planning does not stop after you retire. It is just as important to plan after retirement as it is before retirement. There might be changes in your financial circumstances, lifestyle choices, health, or retirement laws after you retire. Therefore, it's a good idea to periodically review your retirement roadmap, even after you retire, to determine whether a change in direction makes sense.

A good way to start your post-retirement planning is by signing up for the CalPERS "Retiree Security" class, a half-day class for retirees that covers topics such as ways to improve your retirement income, how to protect your retirement nest egg, how to save on taxes, and estate planning to take care of your loved ones.

Notes

Long Term Care Program

CalPERS Long-Term Care Program

CalPERS offers a voluntary comprehensive long-term care insurance program to help you pay for the high cost of long-term care services.

Those eligible for the CalPERS Long-Term Care Program include all California public employees and retirees between the ages of 18-79, and the following relatives in the same age range:

- Spouses
- Parents
- Parents-in-law
- Adult siblings

Monthly premiums are based on your age at the time your application is received.

Long-Term Care Plan Types

There are three different plan types for the Long-Term Care Program:

- Comprehensive Plan – Includes home and facility coverage
 - Facility Only Plan – Does not include home coverage
 - Partnership Plan – Includes home and facility coverage and protection from Medi-Cal requirements.
-

Choosing a Long-Term Care Plan

Four steps to choosing a long term care plan:

1. Select a plan type
 2. Choose a daily benefit amount
 3. Pick a total coverage amount
 4. Decide on inflation protection
-

Notes

For More Information on Long Term Care

There are three ways to get more information on CalPERS Long-Term Care:

- By phone – (800) 982-1775, M-F, 8 a.m. to 5 p.m.
 - By mail: Long-Term Care Group
CalPERS Long-Term Care Program
P.O. Box 5708
Hopkins, MN 55343-5708
 - CalPERS On-Line, **www.calpers.ca.gov**, services include:
 - CalPERS plans at a glance
 - Long-Term Care FAQ
 - Monthly Rate Calculator
-

Notes

Member Home Loan Program

Member Home Loan Program

For more than 25 years the Member Home Loan Program has offered CalPERS members value, protection, and choice when purchasing or refinancing a home.

Participation in this program is available to:

- All active, inactive, and retired members of CalPERS
- Legislators' Retirement System members
- Judges' Retirement System members
- Judges' Retirement System II members

Find out more about your loan choices, 100 percent financing options, interest rates, special loan programs, and more on our Web site www.calpers.ca.gov.

The CalPERS Member Home Loan Program is managed by CitiMortgage. To talk to a customer relations representative, call (800) 874-7377.

Notes

Direct Deposit

Direct Deposit CalPERS offers direct deposit services to ensure your monthly benefit payments are securely and automatically deposited at your financial institution. This means no more worrying about checks being lost or stolen.

Your CalPERS retirement or benefit payment will transfer into your account on the first day of the month. If the first day is a non-banking day, the transfer will happen on the banking day **prior** to the first.

Changing Your Direct Deposit

If you're changing financial institutions or if you're transferring your direct deposit to another account within the same bank, use our *Direct Deposit Authorization* form, complete it, and mail it to CalPERS. Once you've advised us of the needed change, allow up to 30-45 days for us to process the change. We'll send you a confirmation letter after the change is processed. If possible, keep your current bank account open until you receive our letter confirming the date we'll deposit your next benefit payment to the new account.

Contact Information

You can call us toll free at **888 CalPERS** (or **888-225-7377**); contact us online, or by mail. If you contact us in writing, please include your name, Social Security number, bank name and account number (to verify that we are deleting the correct bank account), and your daytime phone number in case we need to contact you.

Notes

Understanding Your Retirement Check

When Checks Are Issued

You are paid in arrears in retirement, so the check you get at the beginning of a month is the retirement pay you earned during the previous month.

Your retirement check is issued by the State Controller's Office, not CalPERS, so the Controller's Office determines the mailing dates.

If you have direct deposit, your financial institution has until the close of the direct deposit date to put the funds in your account.

Retirement Check Deductions

Some deductions are automatic, such as:

- CalPERS health insurance premiums
- Service credit purchase payments
- Liens and levies related to the Internal Revenue Service (IRS) or the State Franchise Tax Board.

Optional deductions are member authorized, such as:

- Life insurance premiums
- Labor union dues
- Charitable contributions

If you wish to stop an optional deduction from your retirement check, contact the organization receiving your payment and inform them you want to cancel the deduction. They will then stop the deduction with CalPERS.

Reporting a Lost or Missing Check

If CalPERS is mailing you your retirement check and you have not received it by the sixth day of the month, or if believe it has been lost or stolen, then contact CalPERS at **888 CalPERS** (or **888-225-7377**).

Notes

Taxes & Your Retirement

Taxes & Your Retirement

Understanding taxes can be confusing and perhaps a little intimidating at times. To help you understand the tax liability for your CalPERS retirement allowance, we've put together some information to help you.

Taxability of Your Retirement

CalPERS reports most pensions to both the IRS and the State Franchise Tax Board.

Taxable CalPERS pensions are:

- Service retirement
 - Disability retirement
 - Industrial disability retirement – if your pension is more than 50% of your final compensation.
-

Your 1099R Tax Form

The 1099R form is the retiree's version of the W-2. It contains all the information you need to complete your State and federal tax returns. You can now view and print your 1099R tax statement online for the last four tax years. You must first register for an online my|CalPERS account before you can view your tax statement. If you have not registered, register now.

Requesting a Duplicate 1099R

You may request a duplicate or replacement 1099R tax form by calling us at **888 CalPERS** (or 888-225-7377) Monday through Friday from 8:00 a.m. until 5:00 p.m., or online by using the my|CalPERS portal on our Web site.

Note: Our regional offices are unable to provide you with duplicate or replacement copies of this tax form. They can order new copies for you, but the new copies have to be mailed to your home in a pressure sealed envelope.

Notes

Changing Your Tax Withholding

After you complete your tax returns, you may find that you want to change the federal or California State withholding amounts deducted from your monthly benefit payment.

- You can change your tax withholding at any time
- You do not have to pay California State income tax on your CalPERS pension if you do not live in California

To change your tax withholding, complete a CalPERS tax withholding form, and mail or FAX it to CalPERS (the address and fax number are on the form). Be sure to read the instructions carefully and complete all required information. If you need help in changing your withholding, CalPERS can assist you with completing the form.

Note: Since CalPERS cannot provide tax advice, you should contact your tax consultant or the IRS or the State Franchise Tax Board for specific information on your tax-related questions.

Contact Information

Franchise Tax Board
PO Box 1468
Sacramento, CA 95812-1468
(800) 852-5711
www.ftb.ca.gov

Internal Revenue Service
(800) 829-4933
www.irs.gov

Notes

Cost of Living Adjustment (COLA)

Cost of Living Adjustment (COLA)

California retirement law provides for an annual cost-of-living adjustment (COLA) to be **paid each May**. However, your COLA cannot be greater than the actual national rate of inflation.

The law requires that CalPERS use the All Urban Consumer Price Index, U.S. City Average, 1967 Base Year, to calculate yearly inflation figures (supplied by the U.S. Department of Labor's Bureau of Labor Statistics).

If you'd like to review these statistics, the Bureau of Labor Statistics has a FAX ON DEMAND phone line at (415) 975-4567, where you can obtain this information. You'll need to identify the CPI report with the code number 9211. You can also access these statistics on the Department of Labor Web site.

Your COLA can equal (but not exceed) the rate of inflation using the U.S. City Average.

Your annual adjustment is limited to the lesser of two compounded numbers - the rate of inflation or the cost-of-living adjustment for which your employer has contracted.

Currently, most State retirees and all school retirees have their COLA limited to a maximum of 2 percent (compounded) annually. Public agencies can contract for 2, 3, 4, or 5 percent cost-of-living adjustments.

Many retirees assume that we apply a 2 percent figure to your gross benefit allowance each May. In reality, a compounded percentage is applied against a figure referred to as your base allowance. Your base allowance is generally the gross amount you received at the time of your retirement.

Notes

Purchasing Power Protection Allowance (PPPA)

Purchasing Power Protection Allowance (PPPA)

California retirement law provides for the payment of the Purchasing Power Protection Allowance benefit, referred to as PPPA.

The PPPA is designed to be a supplementary cost-of-living benefit this is paid when your retirement benefit falls below 75 or 80 percent of your original purchasing power.

State and School retirees have the 75% PPPA level, Public Agency retirees receive the PPPA at 80%.

The PPPA is payable once benefits reach the reduced purchasing power level, and is paid in addition to your COLA. This benefit is **not** your regular annual cost-of-living adjustment.

PPPA is a "leveling" benefit, designed to keep the purchasing power of your retirement allowance at the 75 or 80 percent level. That means it can increase or decrease depending on the circumstances.

Eligibility

Your eligibility for the PPPA benefit is based on your year of retirement, the cost-of-living adjustments you have received, and your actual declining purchasing power. The decline of purchasing power is determined by the Consumer Price Index for all U.S. cities (provided by the U.S. Department of Labor's Bureau of Labor Statistics).

There is no specific timetable for when you may become eligible to receive the PPPA benefit. CalPERS used to provide an approximate time (10 to 12 years) when you were generally eligible to receive PPPA, however we no longer make reference to these timelines. The lower rates of inflation our economy has experienced in recent years have rendered these generalizations obsolete.

To see how PPPA works, use this 75% level scenario as an example. When you retire, your benefit allowance buys you 10 bags of groceries, but as time goes on that same benefit will only buy 7.5 bags of groceries. When you get below 7.5 bags of groceries, the PPPA kicks in and allows your benefit to be brought back up to the level to purchase 7.5 bags of groceries.

Notes

Power Of Attorney

CalPERS Special Power of Attorney

CalPERS offers a durable special power of attorney form for use by members and beneficiaries. This durable special power of attorney enables you to appoint another person – your attorney in fact - to deal with CalPERS on your behalf. This person may:

- Change your mailing address
- Sign tax withholding forms
- Submit a retirement application
- Select a retirement option
- Designate beneficiaries
- Endorse CalPERS retirement checks
- Request information regarding your account

Your CalPERS attorney-in-fact cannot:

- Make medical decisions on your behalf
- Exercise authority over real or personal property

The power of attorney is a complex issue. To fully understand, you should review our *Power of Attorney* publication. This publication also contains the needed *CalPERS Power of Attorney* form.

For more information or to download or order the *CalPERS Special Power of Attorney* form, visit CalPERS On-Line at www.calpers.ca.gov, or call our toll free number **888 CalPERS** (or **888-225-7377**).

Notes

Retiree Health Benefits

Retiree Health Benefits

Eligibility for Retiree CalPERS Health Benefits

Not all retired CalPERS members are covered by CalPERS health benefits. If you are covered by CalPERS health benefits, your eligibility for retiree health benefits depends on your tenure and time basis. You must be appointed to a job that lasts at least six months and one day, and you must work at least half-time. Also, you must retire within 120 days of your separation date from your employer. You will lose your health benefits if you fail to do this. You should check with your employer well in advance of your planned retirement date about how to maintain health coverage in retirement.

Vesting Requirements for CalPERS Retiree Health Benefits

The vesting requirement may be different for State, Public Agency, and school employees. The table below shows vesting requirements for State employees.

Public agencies may choose to adopt a vesting schedule similar to the State. School retirees are subject to vesting requirements of their school district, which may be different from the requirement for State and Public Agency retirees. Check with your employer.

Changing CalPERS Health Plans after Retirement

Similar to when you were actively working, retirees can change health plans during our annual “open enrollment” period in the fall. If you want to stay with your current CalPERS plan and the plan will be offered next year, you do not have to do anything; your coverage continues with your current plan. If you decide to change plans during open enrollment, the change is effective the following January 1.

Notes

State Health Vesting

Upon retirement the state may pay an amount towards your health benefits. The State's share is based on when you were first hired by the State. The State's share may cover all or a part of your health plan's premiums.

State health vesting chart.

If you were hired by the State:	Then you receive:										
Prior to January 1, 1985	100% of the State's contribution upon your retirement										
Between January 1, 1985, and January 1, 1989	100% of the State's contribution if you have 10 years service credit or more, if less than 10 years you receive a prorated amount based on your years of service, e.g. 8.5 years would get 85% of the State's contribution.										
After January 1, 1985	<div>A percentage of the State's contribution based on the following table:<table><tr><th>Years of State Service</th><th>State Contribution</th></tr><tr><td>Less than 10 years</td><td>0%</td></tr><tr><td>10 years</td><td>50%</td></tr><tr><td>10 to 19 years</td><td>50% plus 5% added for each full year completed after the 10th year</td></tr><tr><td>20 years or more</td><td>100%</td></tr></table></div>	Years of State Service	State Contribution	Less than 10 years	0%	10 years	50%	10 to 19 years	50% plus 5% added for each full year completed after the 10 th year	20 years or more	100%
Years of State Service	State Contribution										
Less than 10 years	0%										
10 years	50%										
10 to 19 years	50% plus 5% added for each full year completed after the 10 th year										
20 years or more	100%										

Notes

**Retiree Health
Benefits,
Continued**

Cost of CalPERS Retiree Health Benefits

If you are retired from the State, refer to the chart above on vesting requirements. If you are retired from a Public Agency or school district, check with your employer's health benefits officer to find out how much your employer pays.

Dependent Coverage under CalPERS Retiree Health Insurance

Your spouse, registered domestic partner, and eligible children under age 23 are covered under your health plan. Any dependants enrolled prior to retirement will continue to be enrolled after retirement, as long as they maintain their eligibility.

Continuing Coverage to Your Dependents after Your Death in Retirement

Surviving family members may be eligible for health coverage, as long as they:

- Qualify for a monthly survivor check from CalPERS
- Were enrolled or were eligible to enroll as dependents at the time of the member's death
- Continue to qualify as eligible family members

In the event of a retired member's death it's very important that you contact us at **888 CalPERS** (or **888-225-7377**). If the member was still employed, contact the member's employer.

**CalPERS
Health Plans**

CalPERS offers three types of health plans:

- Health Maintenance Organization (HMO)
 - Preferred Provider Organization (PPO)
 - Exclusive Provider Organization (EPO)
-

Notes

**CalPERS
Health Plans
Continued**

HMO Plans – Blue Shield Access+, Blue Shield Net Value, Kaiser Permanente, and California Correctional Peace Officers Association (CCPOA) Medical Plan*

PPO Plans– PERSCare, PERS Choice, PERS Select, California Association of Highway Patrolmen (CAHP) Health Plan*, and Peace Officers Research Association of California (PORAC) Health Plan*

EPO Plan– Blue Shield EPO- (available only in Colusa, Mendocino, and Sierra counties)

**Note: You must belong to the specific employee association and pay applicable dues to enroll in an association plan (i.e, CAHP, PORAC).*

Health Insurance Options Outside of California After Retirement

The following CalPERS health plans are available to retirees living outside California:

- PERS Choice and PERSCare (PPO) plans
 - Kaiser Permanente (HMO) is available in various ZIP codes in Colorado, Georgia, Hawaii, Maryland, Ohio, Oregon, Virginia, Washington, and Washington, DC
 - Peace Officer Research Association of California (PORAC) Peace and Fire Health Plan (PPO)
-

Important Dates for Maintaining CalPERS Health Coverage at Retirement

There are two important dates to keep in mind, your:

1. Separation date
2. Retirement date

If your separation date and your retirement date are within 30 days of each other, and you are currently enrolled in a health plan at the time of retirement, your coverage automatically continues into retirement without a break.

If your separation date and your retirement date are between 30 and 60 days, your coverage will not automatically continue – but you may re-enroll. If your retirement date is between 60 and 120 days from separation you will maintain your eligibility but will have to wait until open enrollment to enroll. If you separate from employment and do not retire within 120 days, you are no longer eligible for CalPERS health coverage.

Notes

Medicare

Medicare

Certification of Medicare Status

All retirees and their dependents must certify their Medicare status with CalPERS when they become eligible for Medicare at age 65 or upon retirement. If you retire due to Social Security disability you must certify your status before age 65.

CalPERS will mail a *Certification of Medicare Status* form to you when you reach age 65, and at the time of retirement. When you receive the form, you'll need to certify one of the following:

- You have enrolled in Medicare Part A, Part B, or both.
- You are claiming Medicare ineligibility because you do not qualify based on your own work record, or that of your spouse.
- You are deferring enrollment in Part B because you or a spouse are still working past age 65 and have employer group health insurance.

Once you've certified that you are enrolled in Medicare, CalPERS will put you in a CalPERS Medicare-coordinated health plan. Medicare is then your primary provider, and your CalPERS plan is the supplement to Medicare.

If you are not eligible for Medicare, CalPERS will keep you in the basic health plan. You'll need to give us a copy of the letter from Social Security that states you're not eligible for Medicare.

For more information about how your CalPERS health benefits work with Medicare, visit our Web site at **www.calpers.ca.gov**, order our *Health Program Guide*, or call our toll free number **888 CalPERS** (or 888-225-7377).

For general information on Medicare, visit the Social Security Web site at www.ssa.gov, or call 1-800-772-1213, TTY 1-800-325-0778.

Notes

State Retiree Dental Coverage

Retiree Dental Coverage

In order to be eligible for dental coverage in retirement, you must retire from CSU or a State agency within 120 days and be receiving a lifetime monthly allowance.

Dependent Coverage under State Retiree Dental Insurance

Your spouse, registered domestic partner, and eligible children under age 23 are covered under your dental plan.

Changing State Dental Plans after Retirement

Once you are retired, contact CalPERS to make changes to your dental plan.

You can change dental plans, add, or delete eligible dependants during open enrollment or for a qualifying event. Qualifying events include marriage, divorce, birth of a dependant, or moving.

Dental Plans

There are three types of dental plans available:

- Prepaid plans
 - Indemnity plans
 - Preferred provider plans
-

The Prepaid Plan

This plan requires you and your eligible dependents to use a specific dentist from a designated list and is only available in California. The premium is fully paid so no deduction is taken from your retirement check.

Notes

The Indemnity Plan

This plan allows you to select the dentist of your choice. The plan limits the fees that are paid to the dentist and you are responsible for the balance if the fees are higher than the amount the plan pays. There is a monthly co-payment that is deducted from the retiree's check based on the number of dependents enrolled.

The Preferred Provider Plan

This plan provides a list of participating dentists. If you select a dentist that is not on the list, the plan sets a limit on the services covered and your share of the fees may be much higher. You are responsible for the cost balance of any services provided. A monthly co-payment is deducted from the retiree's check based on the number of dependents enrolled.

Notes

State Retiree Vision Plan

State Retiree Vision Program

The State offers vision coverage through the Vision Services Plan, or VSP. In order to be eligible for VSP, you must retire within 120 days of separating from your State employer.

You must submit the enrollment form within 60 days of retirement to receive coverage in retirement. Coverage becomes effective the first of the month following submission of the enrollment form. If you do not enroll during that time, you may enroll during any future open enrollment period, which coincides with health open enrollment.

The full premium for vision coverage is paid by the retiree out of their retirement check and is based on one party, two party, or family coverage.

For further information about the vision plan, call VSP at (800) 877-7195 or visit the DPA Web site at www.dpa.ca.gov.

Notes

Open Enrollment for Retirees

The Health Open Enrollment Period

Health Open Enrollment is in the fall each year, during which you can:

- Enroll in a health plan
- Change your health plan
- Add dependents to your health plan.

No qualifying event is required during Open Enrollment.

Health Plan Changes

There are several ways you can make changes to your health plan during Open Enrollment:

- Change your health plan online.
- Complete the *Open Enrollment Change Request Form for Retirees* (HBD 30) and turn it in to CalPERS
- Submit your request in writing, by phone, or by visiting your nearest CalPERS Regional Office.

All changes made during Open Enrollment are effective January 1 the following year.

Contact Information

There are three ways to contact CalPERS during Open Enrollment:

- CalPERS On-Line, **www.calpers.ca.gov**
 - Our toll free line **888 CalPERS** (or **888-225-7377**)
 - In writing: CalPERS Health Benefits
P.O. Box 942714
Sacramento, CA 94229
-

Notes

Working after Retirement

Working After Retirement

You may want to continue working in some capacity after retirement either for personal satisfaction or financial reasons. If you decide to go back to work either full or part-time, you need to understand the rules so that you don't jeopardize your CalPERS retirement benefit. Download or request a copy of the CalPERS publication *Employment after Retirement*, which provides detailed information on the topic.

A few of the basic things to remember are:

- You cannot work more than 960 hours in a fiscal year for a CalPERS covered employer.
- You must work in a position that is classified as temporary.
- Your salary must be no less and no greater than that of other employees performing comparable duties.

If you work for a non-CalPERS-covered employer, there are no restrictions.

If you retire under normal retirement age – normal retirement age is the age listed in your retirement formula, so for the 2% @ 55 formula 55 is normal retirement age – there are two more restrictions to be aware of:

- You must not have had an agreement with your employer prior retirement to return to work
- You must wait at least 60 days before your start to work again.

Again, these last two restrictions only apply if you retire under your normal retirement age.

As long as you follow all these restrictions you may return to work for a CalPERS employer and your pension will not be affected. You will not have to pay any additional retirement contributions, nor will you earn any additional service credit or additional retirement rights.

If you choose to accept a permanent appointment or exceed the annual time limits, you will need to reinstate into active service, or face penalties such as repayment of the pension payments you've received since the violation started and make up member contributions you should have been making.

Notes

Post Retirement Lump Sum Death Benefits

Post-Retirement Death Benefits

CalPERS retirees are eligible for various post-retirement death benefits.

Benefits range from a lump sum benefit to a monthly allowance.

Each member's death benefits can vary significantly, depending on circumstances, marital or registered domestic partnership status, benefit option choice, and employer contract.

Post-Retirement Lump Sum Death Benefits

Lump Sum Death Benefit

All employers contract for a post-retirement lump sum death benefit. You name the recipient (s) of this benefit on your retirement application.

- State and School employers currently contract for a \$2,000 lump sum death benefit.
- Public Agencies vary depending on contract. They can contract between \$500 to \$5,000 for post retirement lump sum death benefits.

If you have multiple employers over your career, the one that contracts for the highest amount is what is paid out to beneficiaries.

The post-retirement lump sum death benefit that your employer contracts for is noted in your annual member statement that you receive each fall.

Balance Lump Sum Death Benefit

If you chose payment Option 1 or a customized Option 4 that included an Option 1 balance, any remaining member contributions would also be paid to your named beneficiaries in a lump sum.

If you opted for a temporary annuity at retirement and pass away before you receive the full benefit, the remainder would be paid to your named beneficiaries in a lump sum.

Notes

What Is a Beneficiary?

A beneficiary is a person (or other benefit recipient) who is eligible to receive a benefit after your death.

You may name as your beneficiary for lump sum benefits:

- Any person(s)
 - Corporation
 - Trust
 - Your estate
-

Designated Beneficiaries

CalPERS pays any lump sum death benefits to your designated beneficiary(ies). You can change these beneficiary(ies) at any time.

If you are legally married or in a registered domestic partnership, and you name someone other than your spouse or domestic partner to receive your lump sum death benefits, your spouse or partner could still be entitled to their community property interest in this benefit.

Events That Revoke Beneficiary Designation

If you currently have a beneficiary designation filed with CalPERS, be aware that certain events will revoke your existing beneficiary designation.

You must complete a new form if any of the following events occur:

- Marriage or registration of domestic partnership
 - Dissolution, annulment, or termination of marriage or domestic partnership
 - Birth or adoption of a child
-

Notes

Statutory list of Beneficiaries

If you don't have a valid lump sum beneficiary designation on file at the time of your death, your benefits will be paid according to the state of California's statutory list.

Next of kin as established by State law:

1. Spouse or registered domestic partner
 2. Children (natural or adopted)
 3. Parents
 4. Brothers and sisters
 5. Probated estate
 6. Trust, if one exists
 7. Stepchildren
 8. Grandchildren (including step-grandchildren)
 9. Nieces and nephews
 10. Great grandchildren
 11. Cousins
-

Changing a Lump Sum Beneficiary

To change your beneficiary(ies) for the post retirement lump sum death benefits complete and send to CalPERS the *Post Retirement Lump Sum Beneficiary Designation* form. This form is contained in our publication *Changing Your Beneficiary or Monthly Benefit after Retirement*. You can download or order this publication from our Web site, **www.calpers.ca.gov**, or you can order it by calling our toll free number **888 CalPERS** (or 888-225-7377).

Notes

Reporting the Death of a CalPERS Member

Required Information

Anyone can report the death of a CalPERS member to CalPERS. They will need the following information:

- Name and Social Security number of the deceased
 - Date of death
 - Contact information of surviving spouse, registered domestic partner, closest next of kin, or the executor of the estate
 - Contact information of the person providing the notice of death
-

Contacting CalPERS

To report the death of member or beneficiary to CalPERS, notify us by:

- Telephone, **888 CalPERS** (or **888-225-7377**), TTY (916) 795-3240
 - Mail:
CalPERS Benefit Services Division
Survivor & Death Benefits
P.O. Box 1652
Sacramento, CA 95812-1652
 - In person – visit the nearest CalPERS regional office
-

Claiming Death Benefits

CalPERS will mail a *Death Benefit Application* package to your beneficiary(ies) after your death is reported. In order to claim death benefits, your beneficiary(ies) will need to complete and submit the claim forms included in the *Death Benefit Application* package and a death certificate to CalPERS. We will let your beneficiary(ies) know if we need any additional documents.

Notes

Option Benefit Changes

**Retirement
Benefit
Payment
Options**

All CalPERS members are given a minimum of two benefit payment options at retirement. These are:

- Unmodified Allowance
 - Option 1
-

If a member wants a beneficiary to receive a lifetime allowance in the event of their death, the member can choose a “life option.” These are:

- Option 2
 - Option 2W
 - Option 3
 - Option 3W
-

There are additional benefit payment options that are available to further customize retirement benefits. These are collectively called Option 4, they are:

- Specific dollar amount to a beneficiary
 - Specific percentage to a beneficiary
 - Option 2W and Option 1 combined
 - Option 3W and Option 1 combined
 - Reduced allowance for a fixed period of time
 - Multiple lifetime beneficiaries
 - Reduction on death of retiree or named beneficiary
-

Notes

**Option
Benefit
Changes
Continued**

Changing Your Benefit Option

Under State law, there are qualifying events that allow you to change your benefit option after retirement. These events include:

- Death of your retirement option beneficiary
- Annulment of marriage, legal separation, divorce, or termination of domestic partnership
- Marriage or domestic partnership after retirement.

More information about changing your benefit option or beneficiaries is available in our *Changing Your Beneficiary or Monthly Benefit after Retirement* booklet, which you can download or order from our Web site at **www.calpers.ca.gov** or request by calling us toll free at **888 CalPERS** (or 888-225-7377).

**How to Change
Your Option**

To change your retirement benefit option, complete the *Application to Modify Option and/or Life Option Beneficiary* in the *Changing Your Beneficiary or Monthly Benefit after Retirement* booklet to request that CalPERS determine your eligibility.

If you are eligible to change your option, CalPERS then mails you:

- The *Modification of Original Election at Retirement* document
 - Information on your recalculated retirement allowance
-

**When Changes
Take Effect**

The date the option change takes effect depends on when CalPERS received your election form:

- If you make an election to change your option **within** 12 months of the qualifying event, the change will take effect the first day of the month following our receipt of your completed election document. You and your new beneficiary must be alive on the effective date.
 - If you make an election to change your option **more than** 12 after the qualifying event, the change will not be effective until 12 months after the election is made. You and your beneficiary must be alive on the deferred election effective date.
-

Notes

**Request an
Option 2 or 3
“Pop-up”
Increase**

You can request an increase or “pop-up” to your retirement benefit if you elected option 2 or 3 and:

- Your option beneficiary dies
- Your option 2 or 3 beneficiary is your spouse or domestic partner and you obtain a dissolution of marriage or domestic partnership, an annulment, legally separate, or terminate your domestic partnership, and you provide CalPERS with a copy of the judgment that awards you the entire community property interest in your benefits.
- Your non-spouse or non-domestic partner beneficiary waives their entitlement to the option 2 or 3 benefit.

Notes

Moving

Update Your Address

It's important that CalPERS has your current mailing address so we can ensure you receive information about your benefits in a timely manner. If you've moved recently, or are planning a move, there are several ways to notify us of your new address:

- Contact CalPERS by phone at **888 CalPERS** (or **888-225-7377**)
- Send CalPERS your new address in writing
- If you have a CalPERS On-Line Password, use our Change Your Address online service on my|CalPERS at **www.calpers.ca.gov**. This service updates our records in just one business day
- Download and complete a *Member Change of Address* form, then mail or FAX it to the address or phone number shown on the form

Be sure to check out the information below to see how moving impacts your coverage or benefits in the following CalPERS programs.

Retirement Benefit Check

If you're retired and you have your monthly benefit payment mailed to your home, it's important that you notify us of your new address as soon as possible. You can use any of the notification choices above to let us know.

If you're changing financial institutions or if you're transferring your direct deposit to another account within the same bank, use our *Direct Deposit Authorization* form, complete it, and mail it to CalPERS.

Once you've advised us of the needed change, allow up to 30-45 days for us to process the change. We'll send you a confirmation letter at that time. If possible keep your current bank account open until you receive our letter confirming the date we'll deposit your next benefit payment to the new account.

Notes

Health Benefits Coverage Since you must choose a CalPERS health plan that provides coverage in your work or home ZIP code, a change in your address could require changing plans. You can use our Health Plan Search By ZIP Code online service to see what plans are available in your new ZIP code.

If you need to make a health plan change due to your move, you can change your health plan 31 days before and up to 60 days after the move. Moving is a qualifying event to make health plan changes outside of open enrollment.

As a retiree, contact CalPERS with your new address using one of the notification methods above. CalPERS representatives can also assist you if you need to make a health plan change.

Long-Term Care Program If you're enrolled in the CalPERS Long-Term Care Program, be sure to contact Long-Term Care Customer Service at (800) 908-9119 with your new address information.

Taxes Moving can affect your tax status because if you move outside of California you don't have to pay California State income tax on your CalPERS pension.

To change your tax withholding amounts complete a CalPERS tax withholding form and fax or mail it to CalPERS.

Supplemental Income Plans If you are a part of the CalPERS 457 Deferred Compensation Plan (for public agency and school members), or the State Savings Plus Program, the CalPERS Supplemental Contributions Plan, or the State Peace Officers' & Firefighters' Defined Contribution Plan, which are available to State members, you should contact your savings plan to let them know you have a new mailing address.

CalPERS 457 Deferred Compensation Program (800) 696-3907

State Savings Plus Program (866) 566-4777

Supplemental Contributions Program (877) 564-2022

State Peace Officers' & Firefighters' Defined Contribution Plan
(888) 777-1349

Notes

Keeping Informed

Retiree Organizations

Stay Informed with Retiree Organizations

It's important to stay current on issues that can affect your retirement. You can stay informed by joining a retired employee association and receiving regular information on public employee retirement issues. If you're not a member yet and would like more information, contact one of these organizations.

California School Employees Association

2045 Lundy Avenue
San Jose, CA 95131
(800) 632-2128
www.csea.com

California Association of Highway Patrolmen

2030 V Street
Sacramento, CA 95818
(916) 732-2155
www.thecahp.org

Retired Peace Officers Association of California

P.O. Box 1239
Colfax, CA 95713
(800) 743-7622
www.rpoac.org

California Professional Firefighters' Callback Association

1780 Creekside Oaks Drive, Suite 200
Sacramento, CA 95833
(916) 921-9111
www.cpf.org

California State Employees Association Retirees

1108 O Street, Suite 300
Sacramento, CA 95814
(916) 444-8134
www.calcsea.org/retirees

California Faculty Association

5933 W. Century Blvd., Suite 220
Los Angeles, CA 90045
(310) 641-4430
www.calfac.org

CDF Firefighters

1731 J Street, Suite 100
Sacramento, CA 95814-3022
(916) 609-8700
www.cdf-firefighters.org

California State Emeritus & Retired Faculty Association – Retiree Center

1811 Nordhoff Street
Northridge, CA 91330-8339
(818) 718-7996

American Federation of State, County and Municipal Employees Retirees

Oakland Area Office, 2101 Webster Street, Suite 1850
Oakland, CA 94612
(510) 663-3939
www.afscme.org

Retired Public Employees Association of California

300 T Street
Sacramento, CA 95814
(800) 443-7732
www.rpea.com

Notes

Online Resources

my|CalPERS

my|CalPERS is a personalized, secure Web site developed with you in mind. With my|CalPERS, accessing your personal retirement, health and financial information will be fast, easy, secure, and reliable. View your retirement account balances, create a forecast for your future with our planning calculators, personalize your home page, and more!

Some of the services available to you are:

- My Profile- manage your contact information and online account profile
 - My Account Info- view information about your employment, service credit, and more
 - My Health Summary- view health plans available in your area, search for health plans by ZIP code
 - My Statements- view your annual member statement, benefit statement, and tax statements
 - My Statuses- view the statuses of your service credit purchase or your application for disability retirement
 - My Planning Tools- calculate your retirement estimate, estimate service credit costs, request a CalPERS-generated retirement estimate
-

CalPERS On-Line

The CalPERS On-Line Web site is your one-stop information center for CalPERS programs and services – on the Internet at www.calpers.ca.gov. It's available to serve you 24 hours per day, 7 days a week. All you need is a computer with Internet access.

Our Web site has a feature that allows you to customize the content so that you only receive information that is relevant to you. Just select a “member view” by entering your member status and category and the Web site will automatically provide you with the information and services that apply to your circumstances.

Notes

On Our Home Page

Instant access to our most popular pages and services by clicking “Quick Links” and “Online Services.”

- View “Important Dates and Events”
 - Keep up with CalPERS developments in “CalPERS News”
 - Get the latest CalPERS Member Home Loan rates
 - Download or order CalPERS forms and publications
 - Subscribe to “eSubscription” services
-

Online Services

There are many useful online tools and services that can help you plan for retirement. By registering for a personal User ID and Password, you can access information in your personal account and conduct personal transactions using my|CalPERS.

- View and print your annual member statement
 - Obtain an instant online retirement benefit estimate
 - Request a CalPERS-generated retirement estimate
 - Estimate the cost of purchasing additional service credit
 - Track the status of your service credit purchase
 - Track the status of your disability retirement application
 - Register for a CalPERS member education class
 - View and print your CalPERS benefit check statement
 - View and print your CalPERS tax statement
 - Change your address online
-

Customer Education Center

- Register for CalPERS retirement benefit or retirement planning classes
 - Schedule an appointment to speak with a CalPERS retirement representative
-

Notes

Contacting CalPERS

Three Ways to Contact CalPERS

There are three ways to contact CalPERS:

- Online
 - By phone
 - In person
-

CalPERS On-Line Web Site

The easiest way to get additional information is by visiting our CalPERS On-Line Web site at www.calpers.ca.gov

CalPERS On-Line Web Site Continued

Online Services

- My|CalPERS personalized Web site for members
 - Register for your online User ID and Password
 - Retirement Planning Calculator
 - Request a CalPERS-generated retirement estimate
 - Service Credit Cost Estimator
 - View your annual member statement
 - Sign up for retirement planning seminars
 - Health Plan Chooser
 - Long-Term Care Monthly Rates Calculator
-

CalPERS Customer Contact Center

For assistance by telephone, call us toll free at **888 CalPERS** (or **888-225-7377**). CalPERS customer service agents are available to help you Monday through Friday, 8:00 a.m. to 5:00 p.m. TTY for speech and hearing impaired: (916) 795-3240.

Notes

**CalPERS
Regional
Offices**

For in-person assistance you can visit a CalPERS regional office near you. Retirement representatives are available to help you Monday through Friday, 8:00 am to 5:00 pm. To make your visit as productive and smooth as possible please have all your paper work completed to the best of your ability before arriving to the office.

Sacramento Regional Office
400 Q Street, Room 1820
Lincoln Plaza East
Sacramento, CA 95811
FAX (916) 795-7917

Glendale Regional Office
Glendale Plaza
655 North Central Avenue,
Suite 1400
Glendale, CA 91203
FAX (818) 662-4304

San Diego Regional Office
7676 Hazard Center Drive,
Suite 350
San Diego, CA 92108
FAX (619) 220-7201

Orange Regional Office
500 North State College Blvd.,
Suite 750
Orange, CA 92868
FAX (714) 939-4701

Walnut Creek Regional Office
1340 Treat Blvd., Suite 200
Walnut Creek, CA 94597
FAX (925) 746-8501

San Bernardino Regional Office
650 East Hospitality Lane, Suite 330
San Bernardino, CA 92408
FAX (909) 806-4820

San Jose Regional Office
181 Metro Drive, Suite 520
San Jose, CA 95110
FAX (408) 451-8001

Fresno Regional Office
10 River Park Place East, Suite 230
Fresno, CA 93720
FAX (559) 440-4901

Notes

CaIPERS REGIONAL OFFICES



Notes

Additional Information

Estate Planning An important aspect of planning after retirement is estate planning. Are you planning to leave some of your assets to your children or other heirs? Good planning can help you avoid probate and minimize taxes so that more of your assets will be protected for the benefit of your heirs. Therefore, it's a good idea to consult a good financial planner and a good estate attorney after you retire to help you with your post-retirement planning.

Social Security You may retire before reaching the minimum eligibility age of 62 for Social Security benefits. While the minimum eligibility age is 62, your benefits will be higher if you wait until your normal retirement age of 65 or above, depending on the year you were born.

Find out if you are eligible for Social Security benefits. If you contributed to Social Security and receive annual statements, you likely qualify. Find out more on the Social Security Web site at www.ssa.gov or call them toll free at (800) 772-1213.

Notes

**PPPA
Calculation
Example**

You retired in 1980 and were eligible for your first 2% COLA in 1982. You have a base allowance of \$1,000.00 per month, and have received a total of 26 COLA adjustments by May 1, 2007. You've had 67.34 percent added to your base by COLA since 1980.

$$\text{\$1,000.00} \times 67.34 \% = \text{\$673.40}$$

$$\text{\$1,000.00} + \text{\$673.40} = \text{\$1,673.40 (Monthly Benefit)}$$

The 1980 Consumer Price Index = 246.8

The 2007 Consumer Price Index = 619.605 (estimated)

These CPI figures are interpreted as follows: a 1967 base year for the Annual Average Consumer Price Index (this means the cost of an item will be \$1.00 in 1967). In 1980, the cost of the same item will have risen to \$2.46, and in 2007 the cost is approximately \$6.20.

$619.605 \div 246.8 = 2.510555$ or approximately 251 percent inflation. This represents the amount of inflation you've experienced during your retirement.

$$\text{Take your base allowance of } \text{\$1,000.00} \times 2.510555 = \text{\$2,510.56}$$

This example demonstrates the concept of original purchasing power. We take your original benefit amount before you received any cost-of-living adjustments and compare it to the amount of inflation you've experienced over the period you've been retired. The \$2,510.56 figure is the maximum you could earn if you matched inflation every year. PPPA ensures that your benefit will be 75 percent of this figure.

$$\text{Your Monthly Benefit of } \text{\$1,673.40} \div \text{\$2,510.56} = 66.65 \%$$

(66.65 percent is the purchasing power of your allowance, so you are eligible to receive PPPA)

$$\text{75\% of } \text{\$2,510.56} = \text{\$1,882.92}$$

$$\text{\$1,882.92} - \text{\$1,673.40} = \text{\$209.52 (PPPA)}$$

$$\text{\$1,673.40} + \text{\$209.52} = \text{\$1,882.92 (Gross Allowance)}$$

This is an example and it does not represent actuarial factors.

Notes

What Is a Survivor?

A survivor is a person defined by law who is eligible to receive continuing monthly benefits.

The order of eligibility is as follows:

- Spouse or registered domestic partner if marriage or partnership was in effect at least one year prior to retirement
 - Never-married children under age 18, until they turn 18
 - Disabled children, disabled prior to age 18, who have never been married
 - Economically dependent parents
-

Survivor Continuance Benefit

Survivor Continuance is a benefit that must be contracted for by your employer. It provides that upon your death after retirement, a part of your monthly allowance will automatically continue to an eligible survivor.

Survivor Continuance Amount

If you contributed to Social Security under your former CalPERS-covered employer, your survivor will receive 25% of your unmodified allowance.

If you did not contribute to Social Security under your former CalPERS-covered employer, your survivor will receive 50% of your unmodified allowance.

CalPERS is bringing member education into the 21st century! With the CalPERS Education Center, it is now easier than ever to educate yourself about your CalPERS benefits and services, and how to plan for your financial future.

The online CalPERS Education Center is your one-stop shop for managing all your CalPERS education needs. You can register online for instructor-led CalPERS education classes, take classes online, and make an appointment online with a CalPERS retirement counselor. You can do all of this and more 24 hours per day, 7 days a week, at the CalPERS Education Center. All you need is a computer with Internet access.

Visit the CalPERS Education Center at the CalPERS On-Line Web site at www.calpers.ca.gov.

Also on our Web site is “my|CalPERS,” our personalized Web site for members that allows you to access your personal CalPERS account information and perform transactions online. To request or download CalPERS forms and publications, go to our online *Forms and Publications Center*. For immediate assistance, call our Customer Contact Center at toll-free **888 CalPERS** (or 888-225-7377).



California Public Employees' Retirement System
400 Q Street
P.O. Box 942701
Sacramento, CA 94229-2701

888 CalPERS (or 888-225-7377)
www.calpers.ca.gov